

CITY COUNCIL CITY AND COUNTY OF HONOLULU

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COUNCILMEMBER DJOU: CUT THE PROPERTY TAX APPEAL BACKLOG

Today, the Honolulu City Council passed Bill 10 (2005), introduced by Councilmember Charles K. Djou (Waikiki, East Honolulu), allowing the director of budget and fiscal services to settle real property tax appeals and encouraging appealing taxpayers to enter into settlements with the City. The recent increase in real property assessments has triggered a dramatic increase in real property tax cases and a lengthy backlog before the City's tax appeals board.

Councilmember Djou stated, "Because of the unacceptably long tax appeal case backlog, some property tax appeals filed as far back as three years ago are still pending before the tax board. Bill 10 now establishes a policy authorizing the budget director to settle property tax appeal cases. This will alleviate some of the backlog, offering the public an expedited resolution of long over-due real property tax appeals. Bill 10 will also allow the City to assess administrative fees for frivolous filings to help reduce the number of cases going before the tax board and clear up hearing time for truly meritorious cases. I am excited that the Honolulu City Council recognizes this problem and we are establishing a new policy to offer taxpayers a constructive alternative to finding a resolution to their tax appeal cases."

Bill 10 gives clear authority to the City to negotiate settlements with any appealing taxpayer. Taxpayers who file frivolous cases or refuse to accept a reasonable settlement offer can now also face paying administrative fees for the burden they place on the tax appeals system. Councilmember Djou worked with Mayor Hanneman's administration to craft this legislation.

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